

Giant Yellowknife Mines Limited

Revised October 11, 1985 (MC)
Destroy all previous Basic and White
cards on this Company

CUSIP Number 374586

Stock Symbol GYK

Head Office — P.O. Box 40, Commerce Court West, Toronto, Ontario M5L 1B4

Telephone — (416) 863-7000

THE COMPANY operates a producing gold mine in the Yellowknife Bay area; the Salmita mine, some 250 miles distant; has 87.5% interest in Lolor Mines (with a producing property adjoining the Giant mine) and 50.01% interest in Supercrest Mines (with a former-producing property adjoining the Giant mine) all North-west Territories. Ore from the Lolor mine is treated in the 1,200-ton capacity Giant mill. The company is also active in outside exploration.

Fiscal Year	Gold Prod.	Working Capital	COMPARATIVE DATA			Earns. Per Sh.	Divds. Paid	Price Range	
			Prod. Revenue	Oper. Income	Net Inc. Oper.			High	Low
			000's					— Common Shares —	
	oz.	\$	\$	\$	\$	\$	\$	\$	\$
1984	108,480	14,903	49,989	10,186	1,891	0.44	....	27.00	11.00
1983	62,505	8,558	33,095	7,702	4,209	0.98	....	29.00	18.13
1982	72,587	14,991	35,519	6,540	1,456	0.34	....	20.75	6.25
1981	58,678	13,053	31,204	4,563	d199	d0.05	0.25	27.00	9.88
1980	38,285	15,977	28,142	11,168	6,292	1.46	1.00	39.00	15.00

CONSOLIDATED CAPITALIZATION AT DECEMBER 31, 1984			
	Outstanding		%
Common stock	4,303,050 shs.	\$5,700,000	22
Contributed surplus		2,637,000	10
Retained earnings		17,912,000	68

SUMMARY STATEMENT

For the six months ended June 30, 1985, net income was \$1,965,000 or 46 cents per share on revenue of \$26,563,000 compared with \$149,000 or three cents on \$22,561,000 revenue for the same 1984 period. Salmita division operating profit of \$6,500,000 up from \$1,800,000 a year earlier resulted from higher production. Yellowknife division fell to \$200,000 against \$2,600,000 for the same 1984 period reflecting lower gold prices.

For the year ended Dec. 31, 1984, net income was down 55% on a 51% increase in revenue compared with results for the previous year. Results for 1984 include the first full operating year for the Salmita division. Lower earnings for 1984 were attributed to higher operating costs, lower average gold prices (\$461.00 per oz. in 1984 versus \$507.00 per oz. in 1983), and depreciation and amortization charges for the Salmita mine.

Consolidated ore reserves for the Yellowknife Division at Dec. 31, 1984 were 1,057,000 tons grading 0.24 oz. gold per ton compared with 1,120,000 tons at 0.23 oz. gold per ton at the end of 1983. Salmita ore reserves were 88,000 tons at 0.85 oz. gold per ton versus 116,000 tons grading 0.82 oz. gold per ton in the previous year.

Production at the Giant mine totaled 62,937 oz. compared with 61,830 oz. in the previous year. Silver recovered in 1984 totaled 19,408 oz. compared to 17,626 oz. in 1983.

Exploration expenditures in 1984 doubled to \$2,400,000 from \$1,200,000 in 1983. Work was concentrated on precious metal exploration in Canada and the United States, with 60% conducted at the operating properties.

N.B.—For quick reference data, see page 2.

THE FINANCIAL POST CORPORATION SERVICE

Maclean Hunter Building, 777 Bay Street, Toronto M5W 1A7 Telephone (416) 596-5585
1001 Boul. de Maisonneuve ouest, Montréal H3A 3E1 Téléphone (514) 845-5141

Copyright © 1985—Maclean Hunter Limited

QUICK REFERENCE DATA

Major Shareholder—Falconbridge Limited holds 824,413 shares (19.16% interest).

Incorporation—Ontario charter, June 30, 1960.

Auditors—Thorne Riddell, C.A., Toronto.

Fiscal Year Ends—December 31.

Annual Report Appeared—In March in 1985.

Annual Meeting—April 16 in 1985.

Banker—Canadian Imperial Bank of Commerce, Toronto.

Listed—GYK, Toronto and American Stock Exchanges.

Shareholders—5,860 at December 31, 1984.

Transfer Agents and Registrars—Canada Permanent Trust Company, Toronto; Registrar and Transfer Company, New York, N.Y.

COMPANY

The company owns two producing gold properties in the Northwest Territories, the Giant Mine at Yellowknife equipped with a 1,200 ton per day mill and the Salmita Mine 250 km northeast of Yellowknife.

Giant Yellowknife holds an 87.5% interest in Lolor Mines Limited with claims adjacent to the east boundary of the Giant mine; and a 50.01% interest in Supercrest Mines Limited, which owns claims adjoining the Giant mine to the north. Both the Lolor and Supercrest properties went into official production on Oct. 1, 1967, with ore treated at the Giant mill. Supercrest suspended operations at the end of 1981.

Giant also carries on outside prospecting and exploration. See "Outside Exploration".

PROPERTIES

The main Giant Yellowknife property comprises 25 renewable Crown leases, covering approximately 1,592 acres, on the west side of Yellowknife Bay, north arm of Great Slave Lake, in the Yellowknife mining division, Northwest Territories.

The company also holds a group of claims adjoining the property of Supercrest Mines Limited on the north; the Supercrest ground lies immediately north of Giant Yellowknife's mine.

Other properties include 261 patented claims in two groups, the Vermilion Lake in Fairbank twp., and the Errington in Creighton and Balfour twps., both located in the Sudbury mining division, Ont.

PLANTS AND EQUIPMENT

The main Giant Yellowknife gold property is equipped with complete mining plants and a 1,200-ton mill, which was increased from its original 500-ton capacity in 1952. Amalgamation and flotation sections were placed in operation May, 1948; roaster and cyanide units in January, 1949; new fluid-bed roaster in May, 1952; hot Cottrell plant for recovery of arsenic from roaster fumes in 1954-55; cyanide mill to treat flotation tailings in May, 1956; plant to retreat calcine residues in November, 1957; and new two-stage roasting plant and equipment for the collection of gold dust in 1958. All additions to plant and equipment have contributed to increased capacity and improved recovery. The crushing plant handles 1,500-2,000 tons a day.

During 1980, the roaster was overhauled to improve efficiency. Research continued on the feasibility of producing a marketable grade of arsenic trioxide as a by-product of the roaster operation. A contract has been signed with a customer in the United States to purchase current production of raw arsenic trioxide and construction of a storage silo and truck loadout facility to handle transport vehicles was completed in 1981.

A new effluent treatment plant was constructed in 1981 to meet requirements of the Northwest Territories Water Board.

Power for the Giant Yellowknife gold operation is supplied under contract from the power plant at Snare River, which is owned by Northern Canada Power Commission, an agency of the federal government. The company also has its own diesel-powered generators, totaling 1,200 hp.

During 1983, a carbon column recovery unit was installed at the final decant point from the tailings area to capture trace amounts of gold in the effluents. The plant operated well during 1984, recovering 1,441 oz. from the trace amounts of gold in the effluents. Also, a new dam in the tailings disposal area was heightened to provide additional storage capacity.

DEVELOPMENT

Giant Yellowknife Gold Property—The property is developed by three shafts: A shaft, in the southern part of the property, is sunk 793 ft. with levels at 200, 325, 450, 590, and 750 ft.; B shaft, 5,700 ft. north of A, is sunk 780 ft. with levels at 100, 250, 425, 575 and 750 ft.; and C shaft, 2,000 ft. south of B, is sunk to below 2,000 ft. with levels at 100, 250, 425, 575, 750, 950, 1,100, 1,250, 1,500, 1,650, and 2,000 ft. A main haulage way connects all three shafts at 750 ft.; and at 1,250 ft. a haulage level has been extended from C shaft to a point 2,010 ft. north of the B shaft section.

Significant work was undertaken during 1983-84 to develop previously indicated ore zones accessible from present open pit and underground workings. Two deep surface holes totaling 7,357 ft. and one underground hole of 2,230 ft. were tested in 1984 to test for a new structure underlying the Giant orebodies. Follow up drilling was planned for 1985. Development of the DWC zone, located at the south end of the property continued during 1984 and by the year end, mining was essentially completed. The decline from a portal near the B shaft was projected to reach the target area in mid-1985. Overburden stripping for an extension of a pit near C shaft was also essentially completed with the first ore expected to be recovered in 1985.

Errington Mine (formerly owned by Consolidated Sudbury)—The property is developed by three shafts. No. 1, in western part of property, sunk 619 ft. No. 2, 3,600 ft. east, sunk 1,572 ft. with levels at 300, 500, 750, 1,000, 1,250, and 1,500 ft. No. 1 and No. 2 shafts connected at 300 and 500 ft. No. 3 shaft, 9,900 ft. east of No. 1, sunk 450 ft. with one level. Substantial tonnages of ore outlined in surface work and underground drilling by previous operators. To 1957, work concentrated on preparing mine for production, but operations suspended in September, 1957.

Vermilion Lake Property (formerly held by Consolidated Sudbury)—The property is developed by No. 4 shaft sunk 1,300 ft. with levels at 300, 450, 600, 750, 900 and 1,050 ft.; crusher station at 1,110 ft., and loading station at 1,230 ft. Development work outlined several ore bodies to 1,050 ft. level, particularly the 4, 5 and 6 ore bodies. Drilling disclosed existence of north ore zone having length of 1,600 ft. down plunge of structure. All operations suspended September, 1957.

In 1979, a mineral inventory of the Sudbury Basin lead/zinc/copper was completed.

Results showed that there are high grade portions of the deposit that may be mineable. Further metallurgical testing is to be carried out.

GOLD PRICES

Average price received per oz. of gold in recent years has been as follows:

1977	.....	\$163.63	1981	.....	\$524.00
1978	.....	233.00	1982	.....	476.00
1979	.....	412.00	1983	.....	507.00
1980	.....	730.00	1984	.....	461.00

ORE RESERVES

At Dec. 31, 1984, reserves of developed ore, including dilution allowance, for the Yellowknife Division,

were estimated at 1,057,000 tons grading 0.24 oz. gold per ton, compared with 1,120,000 tons grading 0.23 oz. gold per ton a year earlier. Included at Dec. 31, 1984, reserves of developed ore at Lolor Mines were estimated at 2,000 tons grading 0.24 oz. gold per ton, and at Supercrest Mines at 27,000 tons grading 0.34 oz. gold per ton.

The Salmita Division ore reserves at Dec. 31, 1984, totaled 88,000 tons with an average grade of 0.85 oz. gold per ton compared to reserves of 116,000 tons grading 0.82 oz. gold per ton in 1983.

Combined reserves of Giant, Lolor and Supercrest were estimated at Dec. 31:

	Tons	Oz. gold per ton
1984	1,057,000	0.24
1983	1,120,000	0.23
1982	980,000	0.24
1981	1,208,000	0.24
1980	2,005,000	0.21
1979	2,054,000	0.21
1978	1,216,000	0.27

Consolidated Sudbury Properties—At Dec. 31, 1959, reserves at the Errington mine and the Vermilion Lake property were estimated at 4,418,500 tons low pyrite ore grading 1.33% copper, 1.00% lead, 3.97% zinc, 0.026 oz. gold, and 1.61 oz. silver per ton; and 9,038,317 tons high pyrite ore grading 1.14% copper, 0.99% lead, 3.82% zinc, 0.023 oz. gold, and 1.58 oz. silver per ton. The estimate includes only those ore bodies opened up by underground work and closely spaced drill holes. Grade is after dilution allowances of 10% for Vermilion mine reserves and 15% for Errington mine reserves.

Metallurgical studies conducted in 1981 showed it is possible to produce saleable copper, lead, and zinc concentrates from the deposits, but further work has been deferred pending improved metal prices.

OUTSIDE EXPLORATION

Total exploration expenditures in 1984 doubled to \$2,400,000. Work was concentrated on precious metal exploration in Canada and the U.S., with 60% conducted at the operating properties.

Salmita Division—The Salmita mine, located 250 km northeast of Yellowknife, N.W.T. commenced operations in July, 1983. The mills were running by August and the first bullion poured in September and production officially began Jan. 1, 1984. During 1981 and 1982, lateral development totaled 1,341 metres and drifts were established on the vein at the 50 and 95 metre levels over strike lengths of 102 and 180 metres, respectively. The vein, which is divided into three steep-plunging shoots exhibiting strike length of approximately 160 metres, has an average width of 1.89 metres. During 1983, the decline was advanced 832 metres from the second level to the fourth level located 205 metres below surface. A development program below the fourth level (205 metres) was initiated in August, 1984, to increase the depth of the decline to a sixth level (294 metres), which was completed in early 1985, and the company began drifting operations on the fifth and sixth levels.

Throughput was somewhat restricted in the mill in the start up phase in 1983 due to several problems, however by year end throughput was 13,146 tons grading 0.456 oz. gold per ton to produce 5,116 oz. During 1984, output totaled 60,702 tons at a grade of 0.764 oz. gold per ton for bullion production of 44,414 oz.

Other Exploration—The company holds a 32% joint venture interest in the Wedge Lake gold property in northern Saskatchewan, being developed. During 1984, follow up work was carried out including nine holes drilled for a total of 1,290 metres. Continuity of the zone was established, however grades were disappointing and the company does not plan any follow-up.

The company is a 49% partner in a joint venture with Falconbridge Limited in exploration for gold in Ontario and Manitoba.

Drilling, which totaled 6,619 metres through 51 holes, was carried out during 1984 in the Cameron Lake, Sturgeon Lake and Oba gold areas of Ontario. No significant assay results were encountered.

During 1979, Giant Yellowknife and United Keno Hill Mines Limited incorporated an American company, **Arctic Precious Metals, Inc.**, to explore for gold and silver in Nevada and Utah. In 1983, the Bellview property in Nevada was remapped and 2,692 ft. of reverse circulation rotary drilling completed. During 1984, 31 holes totalling 3,020 ft. were drilled on the property. Follow-up work was under consideration. Giant Yellowknife has increased its share in the joint venture to 56%.

HISTORY

The present company was formed by Ontario incorporation on June 30, 1960, as an amalgamation of Giant Yellowknife Gold Mines Ltd. (on a share-for-share basis) and Consolidated Sudbury Basin Mines Ltd. (on a 1-for-25 share basis). Histories of the amalgamating companies follow:

Giant Yellowknife Gold Mines—Formed in Ontario on Aug. 4, 1937, by Bear Exploration and Radium and Burwash Yellowknife Gold Mines, which companies received 200,000 and 900,000 vendor shares, respectively. Early financing was provided by Howey Gold Mines, Anglo-Huronian Ltd., Frobisher Exploration Co., Yellowknife Bear Mines and from various rights offerings. In 1960, Frobisher's interest in Giant Yellowknife was acquired by Ventures Ltd., when the latter company took over the majority of Frobisher's assets. In January, 1962, Ventures assets were acquired by Falconbridge Nickel Mines, and this company now holds the largest block of Giant Yellowknife Mines shares.

Consolidated Sudbury Basin Mines—Formed in Ontario on July 6, 1942, to acquire the Vermilion Lake mining properties from Sudbury Basin Mines Ltd. and the Errington mine from Ontario Pyrites Ltd. for 800,000 shares and 1,381,640 shares, respectively.

The Errington mine was formerly owned and operated by Treadwell Yukon Company from 1927 to 1931. A 200-ton pilot mill operated from April, 1928, to November, 1930, treating 186,172 tons of ore. Due to low metal prices the property was closed in 1930. At that time, two of the most prominent minerals present, zinc and lead, were of little economic value.

In December, 1954, the company's name was changed from Ontario Pyrites Company Ltd. to Consolidated Sudbury Basin Mines Ltd. and shares exchanged on a basis of one new for two old shares held.

SUBSIDIARIES

Lolor Mines Ltd.—Giant Yellowknife holds an 87.5% interest in this company, which owns six Crown granted leases comprised of 215.89 acres adjoining Giant's producing gold mine to the east. Conwest Exploration Co. holds the remaining 12.5% interest.

During the mid-1950s, some work was done on the Lolor property on the 750-ft. level as an extension of the Giant G.B. zone development, and a certain tonnage of ore was outlined by drilling. However, the property was inactive thereafter until 1964, when underground investigations resumed.

Development work has been carried out from extensions of Giant's 425, 575, 750 and 950-ft. levels. During 1983-84, there was no diamond drilling carried out and only minor development work. Production from the mine during 1984 totaled 5,821 tons grading 0.228 oz. gold per ton compared with 3,098 tons at 0.318 oz. gold per ton in 1983. Bullion output was 1,129 oz. compared with 675 oz. in 1983.

The Lolor mine officially started production on Oct. 1, 1967, the mining and treatment of the ore being carried out by Giant under agreement with Lolor. Giant is entitled to 87.5% of profits from the operation.

Supercrest Mines Ltd.—In October, 1964, Giant Yellowknife and Akaitcho Yellowknife Gold Mines purchased 50.01% and 49.99% respectively of the common shares of this company, which had previously acquired all mining claims and physical assets of Akaitcho for \$500,000 in class B preference shares of

Supercrest. The claims adjoin the Giant property on the north and total 1,414.95 acres. Giant had been carrying out exploration and development of the Supercrest property since 1965, and for work done received class A preference shares. During 1972-73, Supercrest purchased for cancellation, all class A and B preference shares.

The Supercrest claims were developed from extensions of Giant's 425, 575, 750, 1,100, and 1,500 ft. levels.

The Supercrest mine was officially placed in production on Oct. 1, 1967. Ore was processed in the Giant mill. Profits from the operation are divided between Giant and Akaitcho.

Operations were temporarily suspended at the end of 1981 to assess the profitability of remaining ore reserves at current gold prices. There was no production from Supercrest during 1983-84. Reactivation of the mine has been delayed pending an improvement in gold prices.

Assessment work, including diamond drilling continued on the GKP zone, approximately one mile north of the mine, outlining drill indicated reserves of approximately 40,000 tons of possible ore, 31,000 tons of which are on Supercrest ground. Further work will be required to define this zone.

Northbelt Yellowknife Mines Ltd.—This company holds 117 claims in an area called the North Yellowknife Greenstone Belt, a few miles north of the Giant Yellowknife mine. Of these claims, 27 were acquired from Giant in 1966 for 300,000 vendor shares of Northbelt. Giant holds 71.2% interest in the company.

Giant carried out a diamond drilling program and detailed mapping in 1968-70. A field study supplemented by limited geochemical work was done in 1971. A followup program of mapping, geochemical sampling, and diamond drilling was carried out in 1972 and a further geochemical and drilling program was done in 1973. Minor work was done during 1974, and a start was made in 1975 on a re-evaluation of work done in an attempt to define drill targets. Limited diamond drilling was done in 1976.

An airborne geophysical survey and ground geophysics were carried out in 1977. Twenty claims were staked. Drilling plans have been deferred in view of current gold prices.

OFFICERS AND DIRECTORS

Officers—D. J. Emery, pres. & man. dir.; G. P. Mitchell, v-p; J. M. DaCosta, sec.; J. M. Donovan, treas.; S. W. E. Poad, contr.; K. B. Morley, asst. treas.

Directors—C. R. Archibald, W. F. James, J. D. Streit, G. P. Mitchell, D. J. Emery, J. D. Krane, H. H. Bird, L. C. Kilburn, D. R. Derry, Toronto.

Mine Office—Yellowknife, N.W.T. X1A 2M2.

CAPITAL STOCK

(As at Dec. 31, 1984)

	Author.	Outstand.	Par
Common	4,500,000 sh.	4,303,050 sh.	n.p.v.

CHANGES IN CAPITAL STOCK

The present company was incorporated on June 30, 1960, with an authorized capital of 4,500,000 common shares of no par value. Of the 4,303,050 shares outstanding, 4,000,000 were issued to Giant Yellowknife Gold Mines shareholders, on a share-for-share basis, and 303,050 to Consolidated Sudbury Basin Mines shareholders, on a one-new-for-25-old basis.

PRICE RANGE OF STOCK

Year	High	Low	Year	High	Low
1975	13.25	5.63	1980	\$39.00	\$15.00
1976	8.38	3.70	1981	27.00	9.88
1977	10.38	5.88	1982	20.75	6.25
1978	16.00	9.50	1983	29.00	18.13
1979	18.00	10.00	1984	27.00	11.00

Listed July 11, 1960.

DIVIDENDS

Giant Yellowknife Mines—No dividend has been paid since 25 cents per share Mar. 31, 1982. Previously \$1.00 per share per annum was paid quarterly from Mar. 31, 1980. A rate of 60 cents per share per annum was paid quarterly from Mar. 30, 1979 to Dec. 28, 1979, inclusive.

For previous dividend payments by present company and its predecessor see following table.

DIVIDENDS PAID FOR FISCAL YEARS

1953	\$0.20	1967-72	\$0.40
1954	0.40	1973	0.40+0.20
1955	0.35	1974	0.40+0.10
1956	0.30	1975	0.40
1957	0.15	1976	0.10
1958-59	0.30	1977	0.15
1960	0.45	1978	0.50
1960†	0.20	1979	0.60
1961	0.40+0.05	1980	1.00
1962	0.55+0.15	1981	0.25
1963-65	0.60+0.40	1982-84	nil
1966	0.60		

■ Paid by present company and its predecessor, Giant Yellowknife Gold Mines.

† Six months ended Dec. 31, due to change of fiscal year-end.

CONSOLIDATED PRODUCTION SUMMARY■

Year	Tons milled	Gold oz.	Recov. per ton \$	Year	Tons milled	Gold oz.	Recov. per ton \$
1949	84,886	.....	17.69	1967	331,922	196,979	21.90
1950	126,214	93,883	28.09	1968	374,717	210,358	23.51
1951	151,814	111,496	27.63	1969	399,647	230,304	24.83
1952†	165,846	87,587	23.46	1970■	424,774	228,732	19.82
1953	245,559	176,539	24.72	1971	403,819	217,702	20.91
1954	275,985	177,421	22.12	1972	401,272	201,186	30.18
1955	286,742	172,976	20.69	1973	389,460	158,293	44.13
1956	297,582	180,267	21.15	1974	328,099	101,514	50.34
1957	309,673	190,418	20.86	1975	391,969	98,437	39.60
1958	289,220	158,451	18.62	1976■	428,154	106,714	30.68
1959	321,022	190,644	20.13	1977	446,192	106,143	39.21
1960	361,601	230,387	21.30	1978	396,657	95,413	56.37
1960†	181,101	117,992	22.64	1979	416,256	75,109	74.28
1961	366,515	238,966	23.37	1980	227,240	38,285	123.00
1962	375,820	253,189	25.31	1981	394,955	58,678	79.00
1963	388,190	245,933	24.01	1982	403,580	72,587	87.25
1964	400,606	270,041	25.44	1983	▲327,374	62,505	99.97
1965	395,001	255,024	24.40	1984	386,250	108,480	128.26
1966	319,876	225,228	22.35				

■ Majority of production is derived from the Giant Mine. See tables below for production from Lolor, Supercrest and Salmitta Mines.

† 13 months ended June 30, 1952 and 6 months ended Dec. 31, 1960 due to change of fiscal year-end.

▲Excludes start-up phase production from Salmitta mine of 13,146 tons to produce 5,116 oz. gold.

	Lolor		Supercrest		Salmitta	
	Tons milled	Gold oz. prod.	Tons milled	Gold oz. prod.	Tons milled	Gold oz. prod.
1967	8,164	3,955	11,047	6,555	.....	.....
1968	18,768	10,170	28,743	18,208	.....	.....
1969	32,605	17,936	45,164	24,585	.....	.....
1970	56,301	29,527	51,032	28,705	.....	.....
1971	75,209	39,604	61,482	36,116	.....	.....
1972	71,422	33,471	65,736	39,443	.....	.....
1973	57,737	23,469	60,373	32,503	.....	.....
1974	25,460	6,367	47,721	24,052	.....	.....
1975	18,338	4,270	31,870	12,921	.....	.....
1976	5,877	1,352	28,547	11,984	.....	.....
1977	7,663	2,116	45,351	16,272	.....	.....
1978	10,553	3,028	21,159	7,336	.....	.....
1979	11,765	2,080	13,453	3,459	.....	.....
1980	4,701	1,114	2,289	472	.....	.....
1981	5,771	1,162	3,908	629	.....	.....
1982	7,466	1,429	nil	5	.....	.....
1983	3,098	675	nil	nil	▲13,146	▲5,116
1984	5,821	1,129	nil	nil	60,702	44,414

▲Preproduction, start-up amount.

INTERIM EARNINGS

Fiscal Year	Net Val. Prod.	Net Inc. Oper. 3 months	Earns. per Sh.	Net Val. Prod.	Net Inc. Oper. 6 months	Earns. per Sh.	Net Val. Prod.	Net Inc. Oper. 9 months	Earns. per Sh.
	\$000's	\$—		\$000's	\$—		\$000's	\$—	
1978 ..	4,883	685	0.16	10,446	1,765	0.41	16,461	2,979	0.69
1979 ..	5,503	598	0.14	12,772	2,302	0.54	20,137	4,328	1.01
1980 ..	13,155	4,670	1.09	22,636	7,869	1.83	24,789	7,525	1.75
1981 ..	7,918	1,337	0.31	14,924	1,123	0.26	23,230	1,277	0.30
1982 ..	8,010	d428	d0.10	14,775	d3,527	0.82	24,034	d1,622	d0.38
1983 ..	9,541	1,227	0.29	17,593	2,487	0.58	25,264	3,570	0.83
1984 ..	11,592	577	0.13	22,561	149	0.03	35,307	680	0.15
1985 ..	13,032	520	0.12	26,563	1,965	0.46			

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION
Years Ended December 31

	1984	1983	1982	1981	1980	1979	1978
	\$000's						
Source of Funds:							
Net income	1,891	4,209	1,456	d199	6,292	8,315	3,731
Depr. & amort.	7,092	1,290	1,632	1,613	498	424	723
Minority interest	46	40	59	d28	65	285	199
Def. inc. & tax	159	1,950	d380	d53	433	.....	.....
Sale of assets (net)	45	21	.....	16	4	.....	.....
	9,233	7,510	2,767	1,349	7,292	9,024	4,654
Application of Funds:							
Dividends .....	.....	.....	.....	1,076	4,303	2,582	2,151
Incr. fixed assets	2,888	13,943	829	2,434	2,342	1,245	420
Subsid. dividends .....	.....	.....	.....	19	185	185	166
Other .....	.....	.....	.....	744	250	.....	1
	2,888	13,943	829	4,273	7,080	4,012	2,739
Increase working capital	6,345	16,433	1,938	12,924	212	5,012	1,915
†Decrease							

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS, YEARS ENDED DECEMBER 31

	1984	1983	1982	1981	1980	1979	1978
	\$000's						
Production	49,989	33,095	35,519	31,204	28,142	31,129	22,362
Less: Marketing expenses	449	368	305	250	192	208	179
Operating expenses	38,608	24,296	27,991	25,933	14,457	17,749	15,435
Admin. & corp. expenses	746	729	683	458	454	363	316
Strike maint. costs .....	.....	.....	.....	.....	1,871	.....	.....
Gov't. of Can. royalty	▲	▲	▲	▲	▲	579	210
Operating income	10,186	7,702	6,540	4,563	11,168	12,230	6,220
Add: Interest earned	866	973	600	1,296	1,277	934	626
Net before deprec., etc.	11,052	8,675	7,140	5,859	12,445	13,164	6,847
Less: Deprec., amort., etc.	7,092	1,290	1,632	1,613	498	424	723
Income tax	236	1,959	371	■ 206	4,669	3,072	1,532
Saimita exploration	1,787	423	3,419	3,261	.....	.....	.....
Explor. expenses .....	.....	754	203	1,418	921	1,068	660
Min. int. in subsid. profit	46	40	59	■ 28	65	285	199
Net income	1,891	4,209	1,456	d199	6,292	8,315	3,731
Less: Dividends .....	.....	.....	.....	1,076	4,303	2,582	2,151
Add: Previous ret. earns.	16,021	11,812	10,356	11,631	9,642	3,909	2,329
Retained earnings	17,912	16,021	11,812	10,356	11,631	9,642	3,909

■ Credit. ▲ Included in income tax expense.

Note—Due to truncating, sums may not equal totals in 1978.

Remuneration—Of officers and directors has been as follows: \$438,777 in 1984; \$371,354 in 1983; \$411,000 in 1982; \$388,309 in 1981; \$340,000 in 1980; \$258,000 in 1979 and \$204,197 in 1978.

Earnings per Share:

Earned

Dividend Record:

Paid

Shares Outstanding

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31

	1984	1983	1982	1981	1980	1979	1978
	\$000's						
Assets							
Current:							
Cash, dep. & s.-t. secs.	9,164	4,514	5,423	3,151	12,577	4,367	6,648
Bullion	6,272	5,745	9,269	6,295	3,369	10,052	2,974
Marketable securities† .....	.....	.....	.....	2,408	4,458	3,520	2,507
Accts., interest rec.	238	197	304	794	318	267	174
Inc. tax recoverable .....	.....	.....	472	457	.....	.....	.....
Supplies at cost	3,838	3,005	2,504	2,399	2,137	1,778	1,400
Prepays and depts.	79	71	47	38	111	33	37
	19,591	13,532	18,019	15,542	22,970	20,017	13,743
Invests. and advances	147	147	147	147	147	147	147
Fixed assets:							
Buildings, equipment	33,546	26,240	24,741	23,913	21,851	19,526	18,316
Less: Depreciation	25,686	21,915	20,703	19,072	17,815	17,330	16,942
	7,860	4,325	4,038	4,841	4,036	2,196	1,374
Min. claims, properties	724	12,998	1,536	1,536	792	542	542
Preprod. & devel. expends.	4,313	.....	.....	.....	.....	.....	.....
	32,635	31,002	23,740	22,066	27,945	22,902	15,807
Liabilities							
Current:							
Accounts payable	4,423	4,445	2,356	2,374	2,272	1,843	1,606
Taxes payable	265	529	672	115	3,559	1,784	1,170
Royalties payable .....	.....	.....	.....	.....	485	569	213
Dividends payable .....	.....	.....	.....	.....	677	56	.....
	4,688	4,974	3,028	2,489	6,993	4,252	2,990
Minority interests	649	603	563	504	551	671	571
Deferred taxes	1,049	1,067	.....	380	433	.....	.....
Shareholders' Equity							
Capital stock	5,700	5,700	5,700	5,700	5,700	5,700	5,700
Contributed surplus	2,637	2,637	2,637	2,637	2,637	2,637	2,637
Retained earnings	17,912	16,021	11,812	10,356	11,631	9,642	3,908
	32,635	31,002	23,740	22,066	27,945	22,902	15,807

†At lower of cost or market value.

Note—Due to truncating, sums may not equal totals in 1978.

Working capital (\$000's)	14,903	8,558	14,991	13,053	15,977	15,765	10,753
Ratio	4.18—1	2.72—1	5.95—1	6.24—1	3.28—1	4.71—1	4.60—1

HISTORICAL SUMMARY

Fiscal Year	Total Assets	Working Capital	Shldrs.' Equity \$000's	Production Revenue	Net Inc. Oper.	Earns. per Sh. \$	Price Range	
							High \$	Low \$
1949	8,207	681	6,550	1,501	168	0.042	7.60	4.75
1950	7,794	1,001	6,637	3,546	501	0.125	9.20	5.75
1951	9,120	1,870	6,637	4,195	1,206	0.301	13.00	6.10
1952	9,403	1,604	6,637	3,890	187	0.047	13.00	7.60
1953	11,209	2,676	6,637	6,071	1,503	0.376	11.75	7.30
1954	10,842	3,162	6,637	6,105	1,508	0.377	9.70	7.60
1955	10,120	1,446	6,637	5,934	984	0.246	7.85	5.50
1956	9,971	1,026	6,637	6,295	838	0.209	6.30	4.30
1957	9,839	1,958	6,637	6,458	1,011	0.253	5.80	3.70
1958	9,137	1,807	6,637	5,384	784	0.196	7.45	4.25
1959	9,642	2,293	6,637	6,462	1,553	0.388	11.13	6.25
1960†	11,723	2,691	10,447	7,694	1,754	0.439	*12.38	7.50
1960	10,944	3,521	10,424	4,100	838	0.19	†14.50	7.50
1961	11,446	5,020	10,880	8,565	2,393	0.56	14.75	9.50
1962	12,471	6,631	11,879	9,512	4,010	0.93	14.50	8.50
1963	12,128	7,090	11,564	9,320	3,989	0.93	13.00	9.90
1964	12,746	7,941	12,136	10,192	4,875	1.13	18.50	10.50
1965	12,641	7,227	11,445	9,638	3,611	0.84	19.75	12.50
1966	11,840	6,264	10,963	8,590	2,100	0.49	15.25	7.25
1967□	11,603	6,059	10,668	7,270	1,427	0.33	10.25	7.45
1968	12,396	6,432	10,937	8,810	1,990	0.46	14.38	8.55
1969	12,145	6,418	11,115	9,923	1,899	0.44	16.50	7.60
1970	11,734	6,324	10,742	8,418	1,348	0.31	11.00	7.00
1971	9,983	6,173	8,728	8,445	762	0.18	12.25	6.50
1972	10,306	6,807	8,476	12,113	1,469	0.38	9.70	6.20
1973	13,922	9,972	10,166	17,187	4,271	0.99	10.38	6.50
1974	12,973	10,308	10,792	16,517	2,778	0.65	27.00	7.25
1975	11,192	7,802	9,476	15,520	305	0.07	13.25	5.63
1976	10,563	6,526	8,860	13,137	d186	d0.04	8.38	3.70
1977	13,248	8,838	10,666	17,496	2,451	0.57	10.38	5.88
1978	15,807	10,753	12,245	22,362	3,731	0.87	16.00	9.50
1979	22,902	15,765	17,979	31,129	8,315	1.93	18.00	10.00
1980	27,945	15,977	19,968	28,142	6,292	1.46	39.00	15.00
1981	22,066	13,053	18,693	31,204	d199	d0.05	27.00	9.88
1982	23,740	14,991	20,149	35,519	1,456	0.34	20.75	6.25
1983	31,002	8,558	24,358	33,095	4,209	0.98	29.00	18.13
1984	32,635	14,903	26,249	49,989	1,891	0.44	27.00	11.00

Note—Fiscal years ended May 31 from 1949 to 1951, June 30, 1952 to 1959; Dec. 31, 1960 to 1963.

□ Consolidated to include operations of 87.5%-owned Lolor Mines Ltd. and 50.01%-owned Supercrest Mines Ltd. from Oct. 1, 1967.

‡ Year ended June 29. Present company formed June 30 on amalgamation of Consolidated Sudbury Basin Mines Ltd. and Giant Yellowknife Gold Mines Ltd.

*To July 8 when delisted. †Listed July 11.

(This information is obtained from sources we believe to be reliable, but is not guaranteed)